COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF BARKLEY LAKE WATER)
DISTRICT, (1) FOR A CERTIFICATE THAT)
PUBLIC CONVENIENCE AND NECESSITY RE-)
QUIRES THE CONSTRUCTION OF NEW PLANT)
FACILITIES; AND (2) SEEKING APPROVAL)
OF THE ISSUANCE OF CERTAIN SECURITIES;)
AND (3) FOR AN ORDER AUTHORIZING AD-)
JUSTMENT OF WATER SERVICE RATES AND)
CHARGES

CASE NO. 8937

ORDER

On November 18, 1983, Barkley Lake Water District ("Barkley Lake") filed its application to construct certain facilities, issue certain securities to fund the construction and raise its water rates. The proposed water rates were based upon a revenue requirement analysis including the proposed construction and financing.

On September 13, 1984, the Commission's Engineering Staff was advised by Barkley Lake's consulting engineers that the construction project had not yet been bid, thereby causing a delay in the Commission's decision beyond the ten (10) month time period allowed to decide a rate case as set out in KRS 278.190 (3).

After review of the record, and being advised, the Commission FINDS the following:

(1) That the proposed rates are based, in a large part, on the proposed construction project.

- (2) That the advertisement for bids, bid tabulation and possible public hearing on the construction project cannot be completed within the ten (10) month time frame provided by statute to decide rate cases.
- (3) That the case should be dismissed without prejudice because the Commission will not render a rate decision involving construction and financing without the construction bids.
- (4) That upon receipt and tabulation of the bids, Barkley Lake should file a Motion to reopen this case and seek a Commission Order based on facts already in the record, along with the bid tabulations.

IT IS THEREFORE ORDERED that Barkley Lake's application be and it is hereby denied without prejudice.

IT IS FURTHER ORDERED that Barkley Lake shall file a Motion to reopen this case once it has the necessary bid tabulations on the proposed construction projects, and for an Order based on the record as it then exists.

Done at Frankfort, Kentucky, this 18th day of September, 1984.

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

Commissioner

ATTEST: